

## Message Text

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PAGE 01 LIMA 03331 182324 Z

66-61

ACTION SS-15

INFO OCT-01 ARA-11 ADP-00 EB-11 AGR-20 AID-20 CIAE-00

INR-10 NSAE-00 RSC-01 OMB-01 TRSE-00 RSR-01 NSC-10

SSO-00 /101 W

----- 105669

R 182229 Z MAY 73

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 5571

AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE LIMA 3331

DEPARTMENT PASS AGRICULTURE

E. O. 11652: N/ A

TAGS: OVIP , EAGR, PE

SUBJ: FINANCE MINISTER EXPRESSES CONCERN TO UNDER SECRETARY  
CASEY ABOUT CCC PROGRAM

1. DURING COURSE OF CONVERSATION BETWEEN MINISTER OF ECONOMY AND  
FINANCE MORALES BERMUDEZ AND UNDER SECRETARY CASEY, MINISTER  
EXPRESSED CONCERN ABOUT HIGHER PRICES AND CONTINUED  
AVAILABILITY OF CCC FINANCING FOR COMMODITIES. EXCHANGE WAS AS  
FOLLOWS ( FROM UNCLEARED MEMORANDUM OF CONVERSATION):

2. QUOTE THE MINISTER SAID HE WISHED TO BRING UP ONE FINAL  
SUBJECT. HE WAS PARTICULARLY CONCERNED ABOUT THE AVAILABILITY  
OF FINANCING FOR GRAINS AND EDIBLE OILS UNDER THE COMMODITY  
CREDIT CORPORATION PROGRAM. PERU WAS PARTICULARLY DEPENDENT ON  
BOTH COMMODITIES. HE HAD BEEN INFORMED THAT OIL WAS NO LONGER  
AVAILABLE UNDER THE CCC PROGRAM. THIS WAS MOST INCONVENIENT,  
PARTICULARLY SINCE BOTH OIL AND GRAIN PRICES ARE EXTREMELY  
HIGH. WHEAT, FOR EXAMPLE, HAD BEEN \$64 PER TON CIF IN 1971,  
\$78 IN 1972, AND WAS NOW IN EXCESS OF \$113. THIS POSED PROBLEMS  
SINCE PERU WAS NOT SELF- SUFFICIENT IN GRAINS. ANYTHING MR.  
CASEY COULD DO TO ASSURE ADEQUATE FY 74 CCC FINANCING FOR PERU  
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PAGE 02 LIMA 03331 182324 Z

WHEN FORMAL REQUEST IS MADE, INCLUDING REINSTATING  
VEGETABLE OIL, WOULD BE MOST HELPFUL TO PERU' S ECONOMIC  
DEVELOPMENT.

3. QUOTE MR. CASEY SAID HE UNDERSTOOD THE MINISTER' S CONCERN  
AND THAT HE WOULD RESPOND TO HIM THROUGH THE AMBASSADOR AFTER  
HE RETURNED TO WASHINGTON. END QUOTE

4. BEFORE HIS DEPARTURE FROM PERU, THE UNDER SECRETARY ASKED  
THE EMBASSY TO INFORM HIS OFFICE OF THE FOREGOING AND TO  
REQUEST THAT APPROPRIATE OFFICIALS OF THE DEPARTMENT PREPARE  
A SUITABLE RESPONSE WHICH HE COULD SEND TO THE MINISTER  
SOON AFTER HIS RETURN.  
BELCHER

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NMAFVVZCZ

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 MAY 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** elyme  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** elyme  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16-Jan-2002 by willialc>; APPROVED <06-Feb-2002 by elyme>  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> gwr 980220  
**Subject:** FINANCE MINISTER EXPRESSES CONCERN TO UNDER  
**TAGS:** EAGR, OVIP, PE  
**To:** RIO DE JANEIRO  
SECSTATE WASHDC  
SS  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005